

CONVEY TO FEDERAL LAND BANK OF BALTIMORE,
MD., TRACT OF LAND IN SAN JUAN, P. R.

FEBRUARY 5, 1925.—Committed to the Committee of the Whole House on the
state of the Union and ordered to be printed

Mr. HILL of Maryland, from the Committee on Military Affairs,
submitted the following

REPORT

[To accompany S. 3630]

This is a similar bill to H. R. 10535, which was favorably reported
to the House on January 20, 1925. Consequently the report made
at that time is made a part of this report as follows:

[House Report No. 1260, Sixty-eighth Congress, second session]

The Committee on Military Affairs, to whom was referred the bill (H. R. 10535) authorizing the Secretary of War to convey to the Federal Land Bank of Baltimore, Md., the tract of land situated in the city of San Juan, island of Porto Rico, having considered the same, report thereon with a recommendation that it do pass, with the following amendments:

Page 1, line 5, beginning with the word "upon," strike out all thereafter down to and including the word "advisable," in line 6, and insert in lieu thereof "for the sum of \$6,000, which is hereby made available for the construction of a double set of noncommissioned officers' quarters on the main reservation of San Juan, P. R., which will replace the double set of noncommissioned officers' quarters on the land to be conveyed."

Page 1, strike out all of lines 9 and 10, and strike out all of page 2. Insert in lieu thereof the following:

"Being the easterly part of La Palma Bastion Military Reservation, San Juan, P. R., located and described as follows: Beginning at the northwesterly corner of this parcel, located at the southerly side of Tetuan Street, in line with the north wall of a masonry building on this parcel and distance of 5.61 meters from the northwest corner of same building, thence bounding with La Palma Bastion bearing south 12 degrees 49 minutes east a distance of 20.74 meters to the city wall; thence along the inside of this wall north 83 degrees 38 minutes east a distance of 24.04 meters; thence north 5 degrees 26 minutes west a distance of 0.94 meter; thence north 83 degrees 38 minutes east a distance of 5.91 meters; thence north 12 degrees 24 minutes east a distance of 10.06 meters to the Recinto Sur Street; thence along the westerly side of the Recinto Sur Street north 25 degrees 1 minute west a distance of 11.80 meters; thence along a curve, radius about 10 feet, to its intersection with Tetuan Street, bounding with a small parcel conveyed to the people of Porto Rico; thence along the south line of

Tetuan Street south 77 degrees 11 minutes west a distance of 28.10 meters to the point of beginning.

"The above-described parcel contains an area of 719.68 square meters."

This measure will transfer from the War Department a small tract of land in the city of San Juan, P. R., to the Federal Land Bank of Baltimore, Md., which institution maintains a branch in Porto Rico as provided by Congress in the law extending the provisions of the farm loan act to that territory. The purpose of the transfer is to provide a tract of land for the erection of a branch bank building by the Federal Land Bank of Baltimore.

The Secretary of War is willing to make the transfer of this parcel of land if the Federal Land Bank of Baltimore will construct new quarters similar to those now on the ground to be transferred. This will benefit the War Department by providing for certain Army construction on a site considered more suitable and will benefit the Federal land bank by providing at small expense a site for a building to carry on the work of the branch bank.

Governor Towner, of Porto Rico, appeared before your committee urging favorable action on the bill, because of the great help the Federal land bank gives the people of Porto Rico.

The matter is quite fully set forth in the letter of Mr. E. E. Jones, a member of the Farm Loan Board, which is made a part of this report.

The report of the Secretary of War is favorable to the bill with certain amendments, and your committee has adopted these amendments.

The letters are as follows:

TREASURY DEPARTMENT,
Washington, January 13, 1925.

HON. JOHN C. MCKENZIE,
*Chairman Military Affairs Committee,
House of Representatives.*

SIR: In considering H. R. 10535, introduced by Congressman Hill and providing for the Secretary of War to make a deed to the Federal Land Bank of Baltimore of a certain lot in the city of San Juan, Porto Rico, for the purpose of erecting thereon a building suitable for the branch bank doing business in Porto Rico, wish to call your attention to several phases of this subject so that you and the Military Affairs Committee may fully understand the situation.

Congress amended the farm loan act so as to extend the provision of this act to the island of Porto Rico, the amendment providing that the Farm Loan Board should designate one of the Federal land banks to undertake this work in Porto Rico. Pursuant to that mandate from Congress, the board directed the Federal Land Bank of Baltimore to establish this branch in Porto Rico.

The Federal Land Bank of Baltimore, or any other of the Federal land banks, would never have gone to Porto Rico as a business proposition had it not been for the action of Congress directing that this be done. From a business point of view, no bank would have undertaken it, because it meant undertaking work which for several years at least would be done at a loss. This has proven to be the case and the Federal Land Bank of Baltimore the past three years has been operating this branch in Porto Rico without profit.

I trust you and the committee will remember this in considering the bill and that the Federal Government, in our opinion, should make this work as easy as possible by cooperating with this board and the Federal Land Bank of Baltimore in providing suitable quarters in which to conduct the business of the branch bank.

In the beginning the insular government agreed to furnish offices, and did so by providing two small rooms in one of the government buildings. In those rooms were no suitable vaults for caring for the mortgages and other papers which must necessarily be protected from fire. A small brick vault was made in one corner of one of these small rooms. The business of the branch bank has grown to approximately \$5,000,000 in loans in Porto Rico, and the rooms provided by the insular government are entirely inadequate as a working space for the employees and no suitable protection from fire is provided, and it is absolutely necessary for something to be done, and that at once, to properly house this branch bank.

For more than a year efforts have been made to have the insular government provide better quarters. They say they are unable to do so and really need the rooms now occupied by the branch bank, and there seems to be only two courses for the bank to take—one to rent rooms for their purposes and the other to construct a building of their own. In San Juan it is not easy to rent suitable rooms which would provide vault space for the safe storing of their notes and mortgages and other papers, and even if it were possible to rent such quarters, such rent a

would be in excess of the charges represented as interest on the kind of a building which they would be able to construct on this piece of ground in question. As you perhaps know, such locations in the city of San Juan are difficult to find, and in view of the fact that the farm loan system is an agency of the Federal Government, established by the Government to provide credit for the farmers of our Nation, we feel that we should have the cooperation of any other branch of the Federal Government in carrying on the work which Congress has imposed by legislation.

In this connection I wish to say that the operations of this branch bank and the service it has so gratuitously rendered the people of Porto Rico is one of the outstanding agencies of the Federal Government to have brought about a better understanding and feeling of the people of Porto Rico and the United States Government, and the whole work of this branch has been one of service and not profit. This has been the view taken by this board, the Federal Land Bank of Baltimore, and the officers of the branch in Porto Rico, the insular government of Porto Rico, the governor general of the island, H. M. Towner, the Secretary of War, and everyone else familiar with the situation.

Unless this bill passes Congress this session, the people in charge of the branch in Porto Rico will be most seriously handicapped in their operation and the valuable records in danger of loss and destruction by fire, as they are inadequately protected at present. All efforts for the past year in trying to provide for better working quarters in San Juan have failed, and this is the best arrangement which our manager, Mr. Thomas, and the authorities in Porto Rico have been able to work out.

I trust that you will very promptly give this bill your serious consideration and report the same favorably to the House, so that it may certainly pass before the expiration of this Congress.

Very truly yours,

E. E. JONES,
Member Farm Loan Board.

JANUARY 12, 1925.

Hon. JOHN C. MCKENZIE,
*Acting Chairman Committee on Military Affairs,
House of Representatives.*

MY DEAR MR. MCKENZIE: Reference is made to the letter from the chairman Committee on Military Affairs, House of Representatives, dated December 13, 1924, requesting a report on H. R. 10535, a bill to authorize the Secretary of War to convey by quitclaim deed to the Federal Land Bank of Baltimore, Baltimore, Md., upon such terms as he may consider advisable, the tract of land situated in the city of San Juan, in the island of Porto Rico, on Tetuan Street, upon which is now located a small brick and mortar building known as Army Building No. 108.

I am pleased to inform you that in view of the promise that funds will be secured by the Federal Land Bank of Baltimore with which to construct a double set of noncommissioned officers' quarters on the main reservation at San Juan in exchange for the property referred to, the War Department will interpose no objection to the passage of the bill, provided the bill is amended so that the War Department will be authorized to accept and use the funds turned over to it by the Federal Land Bank of Baltimore for the construction of the set of noncommissioned officers' quarters referred to. In this connection it is suggested that the bill be amended so as to strike out the words "upon such terms as he may consider advisable," in lines 5 and 6, page 1, and insert instead the words "for the sum of \$6,000, which is hereby made available for the construction of a double set of noncommissioned officers' quarters on the main reservation of San Juan, Porto Rico, which will replace the double set of noncommissioned officers' quarters on the land to be conveyed."

The true metes and bounds of this tract of land should also be set out in the bill. For this purpose it is suggested that the bill be further amended so as to strike out lines 9 and 10 on page 1, and all of the balance of said bill on page 2, and insert instead the following:

"Being the easterly part of La Palma Bastion Military Reservation, San Juan, Porto Rico, located and described as follows: Beginning at the northwesterly corner of this parcel located at the southerly side of Tetuan Street, in line with the north wall of a masonry building on this parcel and distance of 5.61 meters from the northwest corner of same building; thence bounding with La Palma Bastion bearing south 12 degrees 49 minutes east a distance of 20.74 meters to

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the city wall; thence along the inside of this wall north 83 degrees 38 minutes east, a distance of 24.04 meters; thence north 5 degrees 26 minutes west, a distance of 0.94 meter; thence north 83 degrees 38 minutes east, a distance of 5.91 meters; thence north 12 degrees 24 minutes east, a distance of 10.06 meters to the Recinto Sur Street; thence along the westerly side of the Recinto Sur Street north 25 degrees 0.1 minute west a distance of 11.80 meters; thence along a curve radius about 10 feet to its intersection with Tetuan Street, bounding with a small parcel conveyed to the people of Porto Rico; thence along the south line of Tetuan Street south 77 degrees 28.10 minutes to the point of beginning. The above-described parcel contains an area of 719.68 square meters."

Sincerely yours,

JOHN W. WEEKS, *Secretary of War.*